

EXHIBIT 112

Milan prison to close; 254 facing layoffs

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Byline: Kathy Helms cibola@gallupindependent.com, CIBOLA COUNTY
BUREAU

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Body

GRANTS — Corrections Corporation of America will be closing its doors at midnight Oct. 1, displacing 254 workers at the Cibola County Correctional Center.

Andrea Cooper, senior director for CCA human resources compliance, faxed a letter Monday afternoon to Grants Mayor Martin “Modey” Hicks, informing him that the federal Bureau of Prisons had notified CCA of its decision not to exercise its option to renew its contract at the Cibola facility.

Cooper said she regretted to share the Worker Adjustment and Retraining Notification Act notice because the city of Grants and the surrounding community have been great partners to the correctional center for the past 18 years.

“As the owner of the facility, CCA will work diligently to explore opportunities with other government partners at Cibola,” Cooper stated. “We are also working closely with affected staff to provide appropriate resources and opportunities during this transition.”

The layoffs include 135 correctional officers and 26 senior correctional officers, as well as a host of other job classifications, ranging from accounting clerk to chaplain to warden.

Harsh blow

"This is going to be devastating to our community, more than it already is," Hicks said, adding that he also had learned that the Dairy Queen is closing at the end of August.

"If this one here (CCA) is true, this will devastate this town, on top of the mine closures and everything else," he said. "You can look at restaurants now — everybody is going to get hit. We're hoping this is just a power play between the county and CCA, but we won't know until it's finally said and done."

Cibola County Manager Tony Boyd said he had just learned of the layoffs Monday evening after his return from Albuquerque.

"Any job loss is devastating to the county," Boyd said. "That is going to be tough to replace."

County Commissioner Pat Simpson, who was attending a Forest Service meeting Monday evening at the Knights of Columbus Hall, said he had just heard about the layoffs.

"That's going to hurt this economy really bad," he said. "We already had the coal mine cutting back. This is not good for this county. We're paying for the new courthouse with a small portion of our portion of the gross receipts tax. All these guys getting laid off, that's going to affect the gross receipts. How much, I don't know, but this is going to put a hardship on a lot of people that provide services."

Ripple effect

Grants City Manager Laura Jaramillo said she was shocked by news of the closure.

"I was worried about the women's prison because it sounded like things were not real stable over there," she said. "I didn't anticipate at all that our one in Milan would be at risk. I'm just really worried for all those families and how it's going to impact us as a whole community."

Jaramillo said the closure probably will impact the city's budget.

"If people start moving away, that will affect property taxes," she said. "It will affect the schools because their enrollment will probably go down. People won't buy as much, so it will affect our gross receipts. It could have a big impact, so we're really going to have to move cautious, for sure, into this next fiscal year because I think it will have a ripple affect."

For example, Jaramillo said, she heard of an individual who was cleaning houses to make ends meet. Four of her clients worked at El Segundo coal mine.

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“Now they’re not using her because they don’t have the money for a housekeeper,” Jaramillo said. “So even smaller jobs like that, it impacts.”

Milan Trustee and Mayor Pro Tem Robert Gallegos said, “The impact is going to be huge” for the village of Milan, losing both the prison jobs and Dairy Queen.

“But even with the bad news of two places closing, we can’t give up,” he said. “It’s unfortunate, but it just means we need to try harder to promote economic development and create jobs. We’re not going to give up.”

Graphic

The lights surrounding the perimeter of the Cibola Country Correctional Facility in Milan come on Monday night after dark. The facility is scheduled to shut down.
Cayla Nimmo/Independent

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